

1 GOVERNMENT OF THE DISTRICT OF COLUMBIA
2 ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION
3 ALCOHOLIC BEVERAGE CONTROL BOARD

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6	IN THE MATTER OF:	:
7	Tipple Supply Company	:
8	1369 New York Ave., NE	: Fact Finding
9	License #ABRA-101939	: Hearing
10	Manufacturer A	:
11	ANC-5D	:
12	Intended Business Operations	:
13	of Proposed New Manufacturer	:
14	A Establishment	:

16 Wednesday, March 23, 2016

18 Whereupon, the above-referenced matter
19 came on for hearing at the Alcoholic Beverage
20 Control Board, Reeves Center, 2000 14th Street,
21 N.W., Suite 400S, Washington, D.C. 20009.

1 CHAIRPERSON:

2 DONOVAN ANDERSON, Presiding

3

4 BOARD MEMBERS:

5 RUTHANNE MILLER

6 NICK ALBERTI

7 MICHAEL SILVERSTEIN

8 JAMES SHORT

9

10 ALSO PRESENT:

11

12 JACOB HALL,

13 On behalf of Tipple Supply Company

14 MARTHA JENKINS, ESQ.

15 On behalf of ABRA

16 DANETTE WALKER,

17 On behalf of ABRA

18 APRIL RANDALL,

19 On behalf of ABRA

20

21

22

1 P R O C E E D I N G S

2

3 CHAIRMAN ANDERSON: I'm sorry, sir, are
4 you, um -- are you here for the 3:00 -- are you
5 the applicant for the 3:00 hearing?

6 MR. JACOB HALL: Yes, sir. Tipple Supply
7 Company for a manufacturing --

8 CHAIRMAN DONOVAN ANDERSON: Okay. All
9 right. Okay. All right. We'll call -- call our
10 next case on our calendar, and it is a fact
11 finding hearing for, um, Triple Supply Company,
12 um, License #101939, and, um, would the
13 representatives please appear? Please -- um,
14 there's a sign-in sheet in front of you, and can
15 you please identify yourself for the record?

16 MR. JACOB HALL: Yes, sir. My name is
17 Jacob Hall. I'm the founder and CEO of Tipple --
18 it's actually Tipple Supply Company, um, the
19 licensee applicant.

20 CHAIRMAN DONOVAN ANDERSON: You have to
21 speak up a little bit, sir. Um --

22 MR. JACOB HALL: Yes, sir.

1 CHAIRMAN DONOVAN ANDERSON: -- I couldn't
2 hear you. All right.

3 MR. JACOB HALL: Sorry. My name is Jacob
4 Hall. I'm the founder and CEO of Tipple Supply
5 Company, the applicant for the manufacturer's
6 license in question.

7 CHAIRMAN DONOVAN ANDERSON: All right.
8 Okay. All right. You're -- you have put the Board
9 with a very novel product and a novel
10 application, and so the purpose of this hearing
11 is for us to find out some more information from
12 you about your business plan, and what it is that
13 you're asking the Board to, um -- to approve. So,
14 can you, basically, just start out by explaining
15 to the Board, what's your business plan and
16 what's this concept that -- what that it is that
17 you're asking the Board to consider.

18 MR. JACOB HALL: Yes, sir. Uh, we
19 attached a -- a cover letter with the application
20 that explained, in some detail, what we intend to
21 do, but to elaborate on that, our, uh -- our sole
22 product line is a range of craft cocktails that

1 we bottle at our facility in Union Kitchen in Ivy
2 City. Um, it's -- craft cocktails are,
3 essentially, mixed, alcoholic beverages
4 incorporating a range of different spirits and
5 non-alcoholic ingredients, typically syrups and
6 juices, uh, you know, produced from -- from fresh
7 fruits and vegetables, in some cases an infusion,
8 whether an alcoholic or non-alcoholic one,
9 blended, uh -- blended into a single container
10 that's then sold directly to an end user. In a
11 nutshell, that is our, uh, sort of, production
12 and distribution model.

13 We, um -- more -- more specifically, at
14 the launch of the business, sale and distribution
15 will be managed through an online platform, a
16 website, in, uh, particular, that our clientele
17 has access to, um, selective access to. So we
18 provide them with a password to log on to the
19 site and browse the -- the product selection,
20 make purchase, and schedule delivery of the
21 product. So this is the only point of sale, um,
22 that's available to our -- to our potential

1 customers at the launch of the business and for
2 the foreseeable future. So, um --

3 CHAIRMAN DONOVAN ANDERSON: Right. So
4 it's -- so it's just entirely online.

5 MR. JACOB HALL: Correct, for -- we have
6 plans to -- to change, but that's, sort of,
7 beyond the -- the scope of what this license
8 would be used for.

9 CHAIRMAN DONOVAN ANDERSON: So, how is it
10 that -- how would I know that you have this
11 business? How -- I'm John. P.Q. So, since you're
12 it's for selective folks, how would -- how would
13 myself, as John P.Q., access -- know about your
14 business and access your business?

15 MR. JACOB HALL: So our, uh -- our sales
16 and customer development process, uh, for the
17 foreseeable future, specifically focuses on -- on
18 businesses that have, uh, you know, an
19 established right to -- to provide or sell
20 alcohol in a particular setting. So this might
21 include, um, you know, event venues, uh,
22 embassies, Smithsonian Museums, um, event --

1 event planners, caterers -- you know, a -- a
2 decent-sized list of potential clients that we
3 intend to reach out to directly with sales, uh --
4 (clearing throat) -- excuse me -- sales material,
5 um, sort of informing them what our product is,
6 what our business is, and, you know, if they so
7 choose, providing the information, um, to access
8 our -- our website.

9 CHAIRMAN DONOVAN ANDERSON: Oh, so I --
10 and -- and again, I'm -- I know other Board
11 members have questions, but I thought -- I -- I
12 guess on our first reading, we thought that you
13 were -- you wanted to sell it to the general
14 public, so I didn't realize that -- that, um,
15 like, say, someone off the street wanted to buy
16 the product.

17 MR. JACOB HALL: In the -- in the longer
18 term, uh, our intention is to -- is to make it
19 publicly available, but our resources, our
20 distribution resources -- It's myself and my
21 cofounder -- he's, unfortunately, um, recovering
22 from surgery today -- but, uh, it's the two of us

1 who manage all the production, sales, and
2 delivery of our -- of our product. So our
3 resources are a little constrained, and we, um --
4 you know, we want to focus on -- on potentially
5 larger clients, uh, but our ultimate aim is to --
6 is to create a retail business that can
7 accommodate, uh, new and spontaneous business
8 from, you know, customers who are -- who are only
9 buying, perhaps, one, two bottles at a time from
10 us. But that's not, um -- it's likely not going
11 to be a reality any time in the next 6 -- 6- to
12 12 months.

13 CHAIRMAN DONOVAN ANDERSON: Now, tell me
14 about -- you're saying that you wanted to use the
15 Union Kitchen facility. So can you tell us some -
16 - little -- little about that, please?

17 MR. JACOB HALL: Uh, Union Kitchen is a
18 shared food preparation space. Uh, they have two
19 -- two facilities. One is in NoMa -- you know,
20 the Metro station -- and the other is, uh, along
21 -- approximately 14 blocks up New York Avenue,
22 NE. Um, it sits alongside several other

1 distilleries in the area, actually.

2 Uh, most of their members -- They,
3 essentially, uh, for -- for a monthly fee grant
4 access to their facility, which -- which, um,
5 includes, you know, a full -- full range of
6 industrial, um, kitchen equipment. So you have
7 stovetop burners, ovens, um, you know, other
8 accessories to -- to basically enable their
9 members -- I think they have some 80 in the
10 facility in question -- to produce various food
11 products that they sell.

12 Um, Union Kitchen also operates its own
13 catering business, which is a licensed alcohol,
14 uh, caterer, and so part of the letter detailed
15 the -- the, sort of, cohabitation or co-use of
16 the space by two different licensees. One is
17 their business, and the other one would be ours,
18 and we've, um -- you know, we've made
19 arrangements to segregate the operations.

20 CHAIRMAN DONOVAN ANDERSON: Why don't you
21 go -- go a little bit more into how you -- how do
22 you plan to do that.

1 MR. JACOB HALL: Well, so we have a -- we
2 have a designated work station where our
3 production happens. Our production is, uh -- to
4 give you, you know, just a more clear sense of --
5 of how we, uh, produce our cocktails: We're
6 asking for permission to -- to purchase spirits
7 directly from wholesale distributors, um, which
8 we would receive at the facility and store in our
9 own cages, uh, locked if need be, to --

10 CHAIRMAN DONOVAN ANDERSON: Well, it
11 can't -- it can't be "locked if need be." It has
12 to be locked.

13 MR. JACOB HALL: No, I'm sorry. I'm
14 sorry. If, uh, the -- the -- we do not have plans
15 to have the cages locked at the moment, but if
16 that is a condition --

17 CHAIRMAN DONOVAN ANDERSON: What I'm --
18 what I'm trying to say to you is that it -- it
19 can't be "if need be." It has to be locked.

20 MR. JACOB HALL: Oh.

21 CHAIRMAN DONOVAN ANDERSON: That's what -
22 - I'm just clarifying --

1 (Simultaneous speaking)

2 MR. JACOB HALL: Okay. So that is -- that
3 is a condition.

4 CHAIRMAN DONOVAN ANDERSON: -- to you
5 that it's -- It's not "if" -- It's not "if."

6 MR. JACOB HALL: Understand.

7 CHAIRMAN DONOVAN ANDERSON: Right. It's
8 not -- it's not negotiable. It has to be --

9 MR. JACOB HALL: Okay.

10 CHAIRMAN DONOVAN ANDERSON: -- locked.

11 MR. JACOB HALL: All right. So -- so
12 those cages, um, will be locked, uh, where our
13 product -- Uh, basically any time we have an
14 order or a procurement request, we take the
15 necessary spirits from our supply, um, and
16 combine them per the recipe -- you know, per --
17 there are only nine recipes that we're launching
18 with, um, blended, either with other spirits or
19 nonalcoholic ingredients as -- as, you know -- as
20 necessary, um, and then bottled into a new
21 Tipple, uh -- Tipple Supply Company-branded
22 container that then we, uh, seal and, you know,

1 distribute for sale.

2 Um, Union Kitchen's catering happens in a
3 -- on a different level. Uh, their product is
4 stored in a completely different part of the
5 facility from ours, so there's no overlap in
6 terms of the -- what -- what is received by our
7 business and their business, or what is, uh --
8 you know, where the production of our alcoholic
9 products occur. Um, it's a, you know, two-floor,
10 forty-eight hundred square foot facility. We have
11 a very small part of it, and they -- they conduct
12 their catering operation in a different part of
13 it.

14 CHAIRMAN DONOVAN ANDERSON: Um, are you
15 aware of any other businesses similar to this
16 anywhere else in the United States?

17 MR. JACOB HALL: Uh, we -- uh, there are.
18 None of them, uh, seem to be operating with a
19 license to sell alcohol. Um, the closest analogy
20 would be versions of -- of this service that --
21 that merely include all the ingredients necessary
22 to make a cocktail and distribute those in the

1 form of a box or kit. Um, some of these have
2 emerged in New York, Chicago. Uh, I believe there
3 are several in San Francisco, and we've even
4 found, actually, a couple in, uh, the UK, but
5 none -- no one, uh, appears to have resolved the
6 matter of opening containers of alcohol,
7 combining -- you know, recombining them,
8 resealing them as a new product, which, um, you
9 know, for principles of -- of -- You know, our
10 product quality is somewhat essential to -- to
11 what, you know, the vision of our business is.

12 CHAIRMAN DONOVAN ANDERSON: I'll turn it
13 over to other Board members who might have
14 question.

15 MR. NICK ALBERTI: I have lots of
16 questions, but I just --

17 CHAIRMAN DONOVAN ANDERSON: Please. Yeah.

18 MR. NICK ALBERTI: -- want to follow up
19 just on that last point real quick --

20 CHAIRMAN DONOVAN ANDERSON: No, go ahead.

21 MR. NICK ALBERTI: -- and then -- and
22 then I'll pause --

1 CHAIRMAN DONOVAN ANDERSON: Yeah. Turn
2 your microphone on, Mr. Alberti.

3 MR. NICK ALBERTI: Just -- so these
4 others that have these kits that they assemble --
5 When they assemble the kits, are they opening
6 larger bottles of spirits, pouring them into
7 smaller bottles, sealing them, and sending them
8 out in the kits, or is it -- are they in their --
9 is what they include in their kits coming
10 directly from the wholesaler or manufacturer?

11 MR. JACOB HALL: Uh, in my experience so
12 far, there is one called Cocktail Courier that
13 provides, um -- I mean, they provide a retail
14 alcohol product that hasn't been opened --

15 MR. NICK ALBERTI: Okay.

16 MR. JACOB HALL: -- um, alongside the --
17 their ingredients for the cocktail.

18 MR. NICK ALBERTI: Okay. Great. Great.

19 MR. JACOB HALL: Others, in the case of
20 one, uh, San Francisco-based company called
21 SaloonBox --

22 MR. NICK ALBERTI: Mm-hmm.

1 MR. JACOB HALL: -- as far as I'm aware,
2 don't even provide the alcohol itself. They send
3 you the ingredients and an instruction card for -
4 - for what you would need to have on hand.

5 MR. NICK ALBERTI: So it's very different
6 than what --

7 MR. JACOB HALL: Yeah.

8 MR. NICK ALBERTI: -- what you're doing.
9 Okay. Thank you. I -- I'll pause for now.

10 CHAIRMAN DONOVAN ANDERSON: Yes, Mr.
11 Short.

12 MR. JAMES SHORT: Good afternoon.

13 MR. JACOB HALL: Thank you, sir.

14 MR. JAMES SHORT: Okay. So I -- I'd just
15 like to get a big picture.

16 MR. JACOB HALL: Please.

17 MR. JAMES SHORT: What is the square
18 footage of the facility you want to use?

19 MR. JACOB HALL: Union Kitchen's
20 facility, uh, is 4,800 square feet by the -- by
21 the amount of --

22 MR. JAMES SHORT: It would be nice if you

1 could provide us with a diagram showing the
2 complete layout of where you're going to do your
3 business versus the other kitchen business that's
4 taking place. What's the volume of -- that you --
5 that you think you might be doing daily?

6 MR. JACOB HALL: Of our use?

7 MR. JAMES SHORT: The volume.

8 MR. JACOB HALL: Uh, so the answer to
9 that question has, uh, you know, several parts --

10 MR. JAMES SHORT: Okay, but --

11 MR. JACOB HALL: -- initially. Uh --

12 MR. JAMES SHORT: No, we -- I have to --

13 MR. JACOB HALL: Yeah.

14 (Laughter)

15 MR. JACOB HALL: Initially, uh -- We --
16 we've gone to great lengths to actually keep this
17 -- this business, um, somewhat secret because,
18 uh, this is a fairly unique prospect.

19 MR. JAMES SHORT: Now you know this is a
20 public forum, so --

21 MR. JACOB HALL: I do know that. I do
22 know that now.

1 (Laughter)

2 MR. JACOB HALL: Um, inevitable, I'm
3 afraid, but -- Oh, we, uh -- we -- we haven't
4 advertised, uh, the service very -- very broadly
5 yet, so -- and when we launch, um, we'll have to
6 be reaching out to clients and -- and sort of
7 building a customer pipeline. So it's unlikely
8 that we're going to have, uh, on an annual basis,
9 more -- more than 10,000-, \$20,000 in sales over
10 the course of the first, let's say --

11 MR. JAMES SHORT: Well --

12 MR. JACOB HALL: -- 4- to 6 months.

13 MR. JAMES SHORT: That's volume in cash,
14 volume in the number of bottles you will be
15 bringing in --

16 MR. JACOB HALL: It certainly is.

17 MR. JAMES SHORT: -- the number of
18 bottles you'd be rebottling. Do you have a
19 capping system? I mean, what -- just spell it
20 out.

21 MR. JACOB HALL: Yeah. Of course.

22 MR. JAMES SHORT: Go ahead.

1 MR. JACOB HALL: As far as -- as far as
2 our liquor procurements are concerned, uh, we'll
3 -- we'll be working with, I think, uh, a half
4 dozen or seven, uh, different wholesale
5 distributors, so we'll be bound to their minimum
6 order requirements. In, uh -- in many cases,
7 that'll be --

8 MR. JAMES SHORT: You don't have any idea
9 what that number is, in volume -- cases or
10 gallons or --

11 MR. JACOB HALL: I'm saying, uh -- Yeah,
12 it'll be -- it'll -- 12, 12- to 15 bottles per
13 distributor that we're required to order from
14 them. Uh, in -- in the instance of a half dozen
15 or so suppliers, we're talking about, some 70 or
16 80 bottles that we'll have to procure in our
17 first month of operation.

18 Um, as far as output, I really can't
19 speak to what response is going to be, given that
20 we haven't, uh -- we haven't -- we haven't
21 reached out to anyone to -- to advertise this
22 service. It's unlike, um -- Our target to, uh --

1 to meet our -- our membership dues at -- at the
2 Union Kitchen is to -- is to conduct some \$2,000
3 in business as soon as possible, which would
4 amount to some, um, 60 -- 60 bottles a month --

5 MR. JAMES SHORT: Okay.

6 MR. JACOB HALL: -- that we sell.

7 MR. JAMES SHORT: So you won't be --
8 After you mix it --

9 MR. JACOB HALL: Mm-hmm.

10 MR. JAMES SHORT: -- will you be storing
11 any there?

12 MR. JACOB HALL: Again, two parts: Half
13 of our product line is stable, which means there
14 is no spoilage to it. The other half -- Uh,
15 anything that has a -- a -- a citrus in it --
16 Citrus is nonpasteurized, which means it has to
17 be juiced the day of consumption and sales. So,
18 um, some of the product line will be suitable for
19 storage on the premise, some not so. So -- so
20 yes, uh, in part.

21 MR. JAMES SHORT: Okay.

22 MR. JACOB HALL: As far as the packaging

1 -- you -- you -- you had asked, uh, a moment ago
2 if we had, uh, any kind of capping equipment.
3 Union Kitchen provides to its members co-packing
4 equipment. Uh, we've actually been in dialogue
5 with them to identify, um, you know, filling,
6 bottling, labeling, and capping, uh, equipment
7 that would be suitable for us and a number of
8 their other members. So, yes, we will have access
9 to --

10 MR. JAMES SHORT: Are there -- are -- are
11 there any other alcoholic establishments or
12 businesses under that same roof?

13 MR. JACOB HALL: Only the Union Kitchen's
14 catering operation.

15 MR. JAMES SHORT: So they do have
16 alcohol, also.

17 MR. JACOB HALL: They have -- yes. They -
18 - they receive, so.

19 MR. JAMES SHORT: Oh. And you're making
20 cages, and you're going to be -- So that's the
21 reason why we probably need to see a diagram, to
22 see where you're going to be storing yours versus

1 where they're going to be storing theirs. And,
2 um, since you're in business and -- with alcohol
3 and storage, you know that, basically, the fire
4 code for a kitchen is a little different than for
5 storing alcohol. So, does -- do you have a -- do
6 you have your own business license, or are you
7 going to be using theirs?

8 MR. JACOB HALL: No, we do. I think, as a
9 manufacturer, we're required to -- we're required
10 to have our own business license.

11 MR. JAMES SHORT: Okay. So you -- you --
12 you're licensed through the Department of
13 Consumer Regulatory Affairs.

14 MR. JACOB HALL: Yep.

15 MR. JAMES SHORT: Great. Um, so that just
16 takes care of some of my -- some of my fears,
17 but, again, I'd like to, uh -- I'd like to see a
18 diagram of how much space you have there --

19 MR. JACOB HALL: Yes.

20 MR. JAMES SHORT: -- um, if there's going
21 to be other alcohol or distributors, or other
22 persons working with alcohol, to see where theirs

1 is compared with yours, to see that they are
2 secured and locked --

3 MR. JACOB HALL: Yes.

4 MR. JAMES SHORT: -- so that, pretty
5 much, when you leave, nobody else can access your
6 -- So how -- how -- how much -- how much of a
7 situation would it cause you to provide for this
8 Board, as soon as possible, a diagram of the area
9 you'll be using? And -- and with the, um --
10 showing all of the features of, um, your storage
11 and operation.

12 MR. JACOB HALL: None at all. Union
13 Kitchen had, uh, such documentation on hand when
14 we applied for our, um, zoning certification
15 through the DCRA, which was a -- a prerequisite
16 for having a -- a certificate of occupancy,
17 again, in order to specifically be eligible for
18 the manufacturer's license.

19 MR. JAMES SHORT: Now, will you be paying
20 all your local taxes to the District government
21 as -- and federal government?

22 MR. JACOB HALL: Yeah. Yeah.

1 MR. JAMES SHORT: Okay, through the
2 business license?

3 MR. JACOB HALL: Okay.

4 MR. JAMES SHORT: Okay. I -- I might have
5 some more later, but I'll -- I'll -- I'll yield
6 now, Mr. Chair -- thank you -- to someone else.

7 MR. JACOB HALL: And -- Sorry. If I could
8 ask, in -- in what manner would you require, a
9 physical copy or could I submit a digital copy of
10 the -- of the layout?

11 MR. JAMES SHORT: Well, we probably would
12 like to have a physical copy --

13 MR. JACOB HALL: Physical copy.

14 MR. JAMES SHORT: -- because if you're
15 going to get a license, you're going to have that
16 -- it's going to be in -- part of your record
17 anyway.

18 MR. NICK ALBERTI: Well -- well,
19 actually, Mr. Short, if he could send a digital
20 copy, then it would be easy to distribute it to
21 all of --

22 MR. JAMES SHORT: Print it out?

1 MR. NICK ALBERTI: Yeah, print it out and
2 -- and -- We can print it out, and -- and it'll
3 be easy to distribute to us through email. So.

4 MR. JAMES SHORT: Well, the sooner the
5 better, if we can get that --

6 MR. JACOB HALL: Make arrangements for
7 that. Yeah.

8 MR. JAMES SHORT: -- just the -- just the
9 -- How many floors will you occupy in -- in the -
10 -

11 MR. JACOB HALL: Uh, we occupy a single
12 floor. The facility has two floors. And I
13 actually quoted the square footage incorrectly.
14 It's 4,038 feet on our business, uh, license.

15 MR. JAMES SHORT: So this will be drawn
16 to scale when you send that information to us,
17 correct? The drawing?

18 MR. JACOB HALL: Yeah.

19 MR. JAMES SHORT: Okay. Thank you.

20 CHAIRMAN DONOVAN ANDERSON: Ms. Miller?

21 MS. RUTHANNE MILLER: Uh, okay. Uh --
22 good afternoon.

1 MR. JACOB HALL: Good afternoon.

2 MS. RUTHANNE MILLER: Um, and I apologize
3 for this, because I think you may have already
4 addressed this, so if you can just humor me, uh,
5 quickly -- Uh, we were talking about whether, uh,
6 this type of business was in any other state --

7 MR. JACOB HALL: Sure.

8 MS. RUTHANNE MILLER: -- and I heard what
9 you said about, you know, well, there's a --
10 there's one where they send the nonalcoholic
11 ingredients, and then they give directions as to
12 what alcohol to add, right?

13 MR. JACOB HALL: Yes.

14 MS. RUTHANNE MILLER: Okay. But was there
15 a state where there was, uh, the type of business
16 that you're contemplating, where you mix it ahead
17 of time and send it? I didn't know if I missed,
18 uh -- missed your answer.

19 MR. JACOB HALL: Including alcoholic
20 ingredients, no. The -- there is a business based
21 out of New York City that is expanding now to, I
22 think, six different jurisdictions in the

1 country, called Instapour --

2 MS. RUTHANNE MILLER: Mm-hmm.

3 MR. JACOB HALL: -- that, um, bottles --
4 bottles the nonalcoholic ingredients and then
5 provides instructions for, uh, which -- which
6 spirits could be mixed with that.

7 MS. RUTHANNE MILLER: Okay. So this -- so
8 you -- as far as you know, this is the only one
9 that would mix the alcohol ahead of time, right?

10 MR. JACOB HALL: Absolutely. Yes.

11 MS. RUTHANNE MILLER: Okay. Is there some
12 reason why -- Is this more profitable to do it
13 the way you want to do it, or why --

14 MR. JACOB HALL: Uh, it certainly is
15 that, but the -- uh, another issue is actually,
16 um, quality control. And it might, uh -- it might
17 not be apparent how, um -- how that could be put
18 -- put at risk by, uh, simply giving someone
19 instructions for how to mix a cocktail, but --

20 MS. RUTHANNE MILLER: Okay.

21 MR. JACOB HALL: -- the reality is that
22 the -- the, um, you know, design principles with,

1 uh, our product line, commonly known as mixology,
2 actually, uh, is quite difficult for -- for the
3 average person, who's uninformed on the technique
4 of making a drink, to replicate them in a home
5 setting. So, even with very specific instructions
6 for how to make, you know, any one of our
7 cocktails, it's -- it's very likely that someone
8 trying to walk through the process with, you
9 know, little experience for -- for balancing the
10 proportions would actually not be able to do it
11 properly. They would get a drink out of the --
12 you know, out of the process, but they wouldn't,
13 you know -- it wouldn't be the same drink. Um, so
14 that's kind of -- that's why the onus is so great
15 for us to, hopefully, be able to bottle.

16 MS. RUTHANNE MILLER: Do you -- do you
17 know if your concept has been, um, floated in
18 other states and rejected?

19 MR. JACOB HALL: No, I don't.

20 MS. RUTHANNE MILLER: No? Okay. Um, I
21 think you mentioned something about labeling, and
22 I'm just wondering, um, what -- what -- what you

1 had to say about that.

2 MR. JACOB HALL: So, it's obviously, uh,
3 somewhat without precedent for -- for a -- for a
4 container to include different varieties of
5 spirits. Um, we've taken, you know, as -- as much
6 precaution as we can to -- to remain consistent
7 with federal labeling standards, while at the
8 same time recognizing that there is, you know --
9 there is no precedent for what it is we're trying
10 to do. So, uh, we have labels designed that, um,
11 naturally allow for us to -- to provide the, you
12 know, government warning about consumption of
13 alcohol, ABV, their standard bottle sizes, which
14 are indicated.

15 Um, in addition to that, we list each, uh
16 -- each ingredient, not -- not by brand, but by,
17 um, you know, as much as can be specified, the --
18 the -- the product type. So that would be a rye
19 whiskey, not Jim Beam whiskey, for instance. Um,
20 amount of alcoholic ingredients are listed, too.
21 Every cocktail is diluted to a certain rate,
22 which, uh, the ABV, uh -- the ABV figure takes

1 account for, but the water is not a listed
2 ingredient in the -- in the product.

3 And then, um, you know, there's --
4 there's branded material, indicators of -- of,
5 you know, the -- the flavor profile of the -- of
6 the product type in question, but, um,
7 ultimately, yeah, we've -- we've put a -- put a
8 great deal of thought into --

9 MS. RUTHANNE MILLER: Okay.

10 MR. JACOB HALL: -- how such a product
11 should be labeled.

12 MS. RUTHANNE MILLER: So, have you also,
13 um, been in touch with the federal government
14 with respect to the federal requirements?

15 MR. JACOB HALL: Well, so our intention
16 is to not, uh, sell our product on an interstate
17 basis and hopefully avoid -- Federal regulations
18 on manufacturing, uh, when applied to our
19 business model, are -- are quite
20 incomprehensible. Um, they don't -- they -- they
21 very clearly made no allowance for the idea that
22 -- that someone might want to put two different

1 types of -- of spirits into a -- into a bottle.
2 Um, and frankly, if we had to -- if we had to
3 abide, you know, the -- the specific regulations
4 that -- that, uh, TTB applies to manufacturers,
5 it wouldn't be possible for us to -- to operate.

6 MS. RUTHANNE MILLER: So -- so it -- it's
7 your understanding that those laws wouldn't apply
8 if you -- if it wasn't interstate.

9 MR. JACOB HALL: Correct.

10 MS. RUTHANNE MILLER: Okay. Um, I guess
11 my last area of questioning is about delivery.

12 MR. JACOB HALL: Yes, ma'am.

13 MS. RUTHANNE MILLER: Have you thought
14 through, um, delivery, with respect to, um, sale
15 to minors?

16 MR. JACOB HALL: Yes, indeed. Uh, as I
17 mentioned, you know, the access to the site
18 itself is restricted --

19 MS. RUTHANNE MILLER: Right.

20 MR. JACOB HALL: -- to only, uh -- only
21 individuals that we've given the password to. Uh,
22 beyond that, like I said, uh, all deliveries will

1 be conducted by myself and my colleague --

2 MS. RUTHANNE MILLER: Okay.

3 MR. JACOB HALL: -- um, both of whom are
4 licensed ABB -- uh, ABC managers, um, have worked
5 in, you know, bars for -- for many years. We're
6 very familiar with the process of, uh, checking
7 for valid identification and, sort of, ensuring
8 that the end user is over 21. Um, obviously, sale
9 will happen to -- to businesses that we assume
10 are using the alcohol for -- for legal and valid
11 reasons.

12 MS. RUTHANNE MILLER: Right. Okay. Right,
13 you're only doing select businesses --

14 MR. JACOB HALL: Correct. Yeah.

15 MS. RUTHANNE MILLER: -- right now,
16 anyway. Okay. All right. Thank you.

17 CHAIRMAN DONOVAN ANDERSON: Mr. Alberti?

18 MR. NICK ALBERTI: Yeah. I -- I'm -- and
19 I know you went over this, but who -- who's your
20 target audience now for sales, initially? Because
21 --

22 MR. JACOB HALL: So, our rollout is to --

1 to target, uh, businesses include -- you know,
2 creative firms, lobbying firms, um, embassies,
3 event venues --

4 MR. NICK ALBERTI: Okay.

5 MR. JACOB HALL: -- event planners,
6 caterers, um, you know, sort of a basket of -- of
7 different entities and groups that we're going
8 to, hopefully, rollout to.

9 MR. NICK ALBERTI: Okay. Okay. Groups of
10 who would be ordering --

11 MR. JACOB HALL: Yes.

12 MR. NICK ALBERTI: -- quantities --
13 larger quantities at one time?

14 MR. JACOB HALL: Correct. Yes.

15 MR. NICK ALBERTI: Okay. Um, this is not
16 a need to know, but I have to ask because I'm
17 just curious as all get out. So, have you market
18 tested your product? I mean, the reason I ask is
19 that, you know, it's -- it's a great concept.

20 MR. JACOB HALL: Right.

21 MR. NICK ALBERTI: I get it, and you're a
22 skilled mixologist. But when you go from the

1 product that you serve at the bar and try to
2 replicate that by putting it into the bottle and
3 having the standard alcohol content -- because
4 you don't do that at the bar. I mean, it's not
5 standard. You're -- it's not measured at the bar.
6 So things can change. I mean, I'm -- you know, as
7 -- as someone who cooks, I know how things can
8 change when you start to do those sorts of
9 things.

10 MR. JACOB HALL: Yeah.

11 MR. NICK ALBERTI: So have you tried it?
12 I mean, have you market tested this to see how
13 people are reacting to it?

14 MR. JACOB HALL: So, we have, um, you
15 know, taken -- taken precaution to stay within
16 the law, so we haven't actually sold any of the
17 product.

18 MR. NICK ALBERTI: Right. Right.

19 MR. JACOB HALL: But we have, you know --
20 uh, we have taken alcohol from people who have
21 bought it, and mixed it and given it back to them
22 for parties. One was a -- a clothing shop down

1 on, uh -- along 14th, Redeem. For their 9-year
2 anniversary party, we made a -- a bourbon,
3 pineapple, and lemon punch, with some spice added
4 to it. Uh, and the response was very positive.

5 MR. NICK ALBERTI: In -- in the same way
6 that you would do it if you were manufacturing it
7 and bottling it?

8 MR. JACOB HALL: Indeed, yeah.

9 MR. NICK ALBERTI: Okay. Good. Good.

10 MR. JACOB HALL: Um, in the -- in some
11 ways, you have, uh, greater control and smaller
12 margin of error --

13 MR. NICK ALBERTI: Mm-hmm.

14 MR. JACOB HALL: -- uh, than you do at a
15 bar --

16 MR. NICK ALBERTI: Mm-hmm.

17 MR. JACOB HALL: -- because when you --
18 when you expand the quantity that you're -- that
19 you're pouring out, um, you know, missing the
20 recipe by -- by --

21 MR. NICK ALBERTI: Yeah.

22 MR. JACOB HALL: -- an amount has a

1 smaller impact on the overall product.

2 MR. NICK ALBERTI: Right.

3 MR. JACOB HALL: Dilution is something
4 that, uh -- that, you know, offers great impact
5 to the finished product --

6 MR. NICK ALBERTI: Right.

7 MR. JACOB HALL: -- and you can't
8 particularly control that down to -- down to as
9 precise a detail as we can on a production, uh,
10 setting behind the bar. So it's different, but,
11 um, the response has been positive, and, uh --
12 and we are actually excited to -- to look at this
13 -- you know, look at the, sort of, world of
14 mixology from the perspective of a, you know --
15 of a -- of a more controlled production.

16 MR. NICK ALBERTI: Right.

17 MR. JACOB HALL: Yeah.

18 MR. NICK ALBERTI: Right. Well, I was
19 just curious.

20 MR. JACOB HALL: No, it's, uh --

21 MR. NICK ALBERTI: It's very helpful.

22 Thank you.

1 MR. JACOB HALL: -- it's -- You know,
2 it's -- it is fascinating to me, too, so thank
3 you.

4 MR. NICK ALBERTI: All right. So, I'm
5 trying to think of what -- where else, um -- I
6 think you've covered most of the questions I've
7 had. Um, you'll be storing some of the -- some of
8 your product on site, and that'll be locked, too?
9 Is that correct?

10 MR. JACOB HALL: Yes, sir.

11 MR. NICK ALBERTI: All right. Um, who has
12 access to your workspace while you're -- while
13 you're doing this?

14 MR. JACOB HALL: Uh, by that, do you
15 mean, who -- who in our company has access to it,
16 or who --

17 MR. NICK ALBERTI: Who -- who in the
18 world has access to your space while you're
19 manufacturing?

20 MR. JACOB HALL: Yeah. Uh, so, during --
21 during -- Now, uh -- well, during -- you know,
22 the Union Kitchen has its image in 80 -- uh, 80

1 member businesses, so anyone who has been, um,
2 you know, formally employed and on-boarded to the
3 Union Kitchen space that's employed by those
4 businesses hypothetically has access to our
5 production space. Um --

6 MR. NICK ALBERTI: Well, I'm, you know --

7 MR. JACOB HALL: I mean, they --

8 MR. NICK ALBERTI: -- sort of thinking
9 while -- while you're in the process of --

10 MR. JACOB HALL: Yeah.

11 MR. NICK ALBERTI: -- producing your
12 product.

13 MR. JACOB HALL: Yep.

14 MR. NICK ALBERTI: All right?

15 MR. JACOB HALL: Uh, yeah. So any of --

16 MR. NICK ALBERTI: What -- what sort of
17 controls are there on people coming and going,
18 um, in -- in your space?

19 MR. JACOB HALL: Well, it's -- I mean, it
20 is a shared space, so that the, um -- that --
21 that the -- the -- The production facility is
22 predicated on the notion that there's equal

1 access to much of the -- the resources --

2 MR. NICK ALBERTI: Okay.

3 MR. JACOB HALL: -- made available to the
4 members. Um, but I mean, the tables, the work
5 stations where -- where the food production
6 happens, uh, you know, about one another as -- you
7 know --

8 MR. NICK ALBERTI: Okay.

9 MR. JACOB HALL: -- by a matter of feet.
10 So there is --

11 MR. NICK ALBERTI: So how would you --
12 how would you control, oh -- I'm working next to
13 you: "That looks really good. Can I have a
14 taste?" And you know you'll get it. How do you
15 control that?

16 MR. JACOB HALL: Um, we -- but --
17 withstanding the fact that it is a -- it is a
18 professional work environment.

19 MR. NICK ALBERTI: Yeah.

20 MR. JACOB HALL: People aren't just going
21 around dipping fingers in --

22 MR. NICK ALBERTI: No, no, they're not

1 getting drunk. They're not getting drunk, but --

2 MR. JACOB HALL: Uh, well, you know, we
3 uh -- basically, as we're producing it, we're
4 bottling it, and, you know, it's -- it's --

5 MR. NICK ALBERTI: Okay.

6 MR. JACOB HALL: -- we have an order and,
7 you know -- The alcohol --

8 MR. NICK ALBERTI: So you would be
9 responsible for all of that.

10 MR. JACOB HALL: The alcohol -- yeah. I
11 mean, uh, you know, one of our staff is going to
12 be in attendance of the alcohol at -- at all --

13 MR. NICK ALBERTI: Okay.

14 MR. JACOB HALL: -- points of its, um --

15 MR. NICK ALBERTI: Okay.

16 MR. JACOB HALL: -- you know, movement
17 throughout the unsecured area of the --

18 MR. NICK ALBERTI: Okay.

19 MR. JACOB HALL: -- facility.

20 MR. NICK ALBERTI: And you're aware that
21 you can't gift your product to anyone. As a
22 manufacturer, there are restrictions on you

1 gifting your product to --

2 MR. JACOB HALL: Indeed.

3 MR. NICK ALBERTI: -- to anyone.

4 MR. JACOB HALL: I am now.

5 MR. NICK ALBERTI: And you can check with
6 the director, uh, specifically, or legal counsel
7 --

8 MR. JACOB HALL: Mm-hmm.

9 MR. NICK ALBERTI: -- as to what the
10 restrictions are on manufacturers gifting
11 anything -- gifting alcohol, gifting, um, logo
12 products, providing gifts to retailers.

13 MR. JACOB HALL: Mm-hmm. Okay. Well, we
14 don't do business with retailers. We, uh --

15 MR. NICK ALBERTI: All right.

16 MR. JACOB HALL: -- we hope to act as our
17 own rep. Yeah.

18 MR. NICK ALBERTI: All right. But I think
19 you should check with our legal counsel as to --

20 MR. JACOB HALL: Yeah. Okay.

21 MR. NICK ALBERTI: -- what -- what's --
22 what that is all about. I don't want to misguide

1 you, but if there are restrictions you should
2 know about, like securing your alcohol --

3 (Laughter)

4 MR. NICK ALBERTI: -- we want you to know
5 up front. Um, so -- I don't have any other
6 questions. Thank you.

7 MR. JACOB HALL: Thank you.

8 CHAIRMAN DONOVAN ANDERSON: Yes, Ms.
9 Miller.

10 MS. RUTHANNE MILLER: I -- I just would -
11 - would like to ask you a clarifying question.

12 MR. JACOB HALL: Please.

13 MS. RUTHANNE MILLER: Um, what -- what
14 the product is, or looks like, that you're, um,
15 delivering -- I mean, some of it is mixed, and
16 you have separate ingredients, as well, or -- or
17 --

18 MR. JACOB HALL: No, no, no.

19 MS. RUTHANNE MILLER: -- do you mix the
20 whole thing?

21 MR. JACOB HALL: If you were to purchase,
22 say, a \$30 bottle of our Old Fashioned -- expect

1 that one's going to be a popular one -- uh, \$30
2 Old Fashioned is a 750-milliliter sealed bottle
3 that is whiskey, simple syrup, bitters, and
4 water, mixed entirely in the bottle --

5 MS. RUTHANNE MILLER: Okay.

6 MR. JACOB HALL: -- ready to --
7 essentially, ready to be poured and served.

8 MS. RUTHANNE MILLER: Oh, okay.

9 MR. JACOB HALL: Yeah.

10 MS. RUTHANNE MILLER: So you -- you do
11 the whole thing and then deliver it, as opposed
12 to that other concept where they send ingredients
13 and the alcohol.

14 MR. JACOB HALL: Yes.

15 MS. RUTHANNE MILLER: Okay. Okay.

16 MR. NICK ALBERTI: Can -- can I just
17 follow up? That was a good question --

18 MS. RUTHANNE MILLER: Yeah.

19 MR. NICK ALBERTI: -- because I want to
20 follow up. So what size bottles are you --

21 MR. JACOB HALL: Two -- per two -- uh,
22 sorry, two -- two product sizes, 375-milliliter

1 and -- and 750-milliliter bottles.

2 MR. NICK ALBERTI: Okay. Great. Thank
3 you.

4 MR. JAMES SHORT: Mr. Chair?

5 CHAIRMAN DONOVAN ANDERSON: Yes, Mr.
6 Short.

7 MR. JAMES SHORT: Um, you said there are
8 only -- um, that you knew about some other, uh,
9 business models like yours around the country.

10 MR. JACOB HALL: Yes.

11 MR. JAMES SHORT: Would it be possible,
12 when you send us that diagram of the floor plan
13 of -- that you also send us some of that
14 information, uh, other -- other businesses --
15 business models like yours around the country and
16 -- If you can -- if you can provide that.

17 MR. JACOB HALL: Would you, uh -- I mean,
18 there's an abundance of material. I could do, uh,
19 summaries myself. I could find articles
20 describing the businesses or just links to their
21 websites and, um, you know, brand material.

22 MR. JAMES SHORT: However you want to

1 help your case.

2 MR. JACOB HALL: Okay.

3 MR. JAMES SHORT: Thank you. That's all I
4 have, Mr. Chair.

5 CHAIRMAN DONOVAN ANDERSON: Yes, Ms.
6 Miller.

7 MS. RUTHANNE MILLER: I just want to
8 clarify. I thought that you said yours was the
9 only one.

10 MR. JACOB HALL: Well, he's referring to
11 businesses that -- that attempt a similar, uh --
12 you know, to provide a craft cocktail experience
13 but -- but aren't able to bottle, um, the
14 alcoholic ingredients.

15 MS. RUTHANNE MILLER: Oh, those.

16 MR. JACOB HALL: Those are the -- I
17 believe --

18 MR. JAMES SHORT: Yeah, that's --

19 MR. JACOB HALL: -- that that's what
20 she's (sic) referring to.

21 MS. RUTHANNE MILLER: Okay. Okay. Thank
22 you.

1 MR. JACOB HALL: You're welcome.

2 CHAIRMAN DONOVAN ANDERSON: Is there
3 anything else you'd like to provide to us? Any
4 other further information you'd like to provide
5 to the Board?

6 MR. JACOB HALL: Uh, only to request the,
7 uh, appropriate channel for the diagrams and, uh,
8 business information.

9 MR. NICK ALBERTI: Our general counsel
10 will give you her contact information, and you
11 can --

12 MR. JACOB HALL: Okay.

13 MR. NICK ALBERTI: -- uh -- It's probably
14 best to set up a --

15 MR. JACOB HALL: Okay.

16 MR. NICK ALBERTI: -- a dialogue with --
17 with Ms. Jenkins.

18 MR. JACOB HALL: Perfect. I have no
19 further questions. Thank you, sir.

20 MR. NICK ALBERTI: Okay.

21 CHAIRMAN DONOVAN ANDERSON: Well, thank
22 you, sir. We'll -- we'll take your -- Thank you

1 for the information you have provided. It is a
2 novel concept, um, that this Board has to
3 consider, and we'll take it under advisement and
4 give you some feedback based on what it is that
5 we're able to find out. Okay?

6 MR. JACOB HALL: Thank you or your time.

7 CHAIRMAN DONOVAN ANDERSON: Thank you.

8 (Whereupon, the above-entitled matter was
9 concluded.)